

STATEMENT TO

THE LEGISLATIVE ASSEMBLY BY

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MINISTER FOR HEALTH AND HUMAN SERVICES

11TH SEPTEMBER, 2008

The Health Services Authority Charge Master

Members of the Legislative Assembly are asked to note that in accordance with Section 17 of the Health Services Authority Law (2005 Revision), the Board of Directors of the Health Services Authority (HSA) has gained approval from Cabinet to implement a new Charge Master. This document was recently gazetted and will come into effect on 1st October 2008.

Having a comprehensive schedule of fees will enhance the delivery of services resulting in better data management and tracking. The Charge Master includes codes for patient billing, which use generally accepted international language to communicate information among physicians, patients and insurance companies.

A Charge Master is necessary for the following reasons:

- 1. the HSA needs a comprehensive schedule of fees for all services provided, as presently many services are bundled into a single charge, which does not enhance good long-term management;
- 2. the Health Practice Law requires healthcare providers to publish all procedures and associated fees for services;
- 3. there will be fewer denials of claims from insurance companies thereby reducing loss of revenue and decreasing the need for government funding;
- 4. implementing a Charge Master is one means whereby the HSA can move towards becoming financially viable;

Members of the Legislative Assembly are asked to note that the most commonly used services such as physician consultations, room and board, supplies, Lab, Radiology and Physiotherapy will **remain unchanged** with the implementation of the Charge Master. The biggest impact of the Charge Master will be on the publicly-owned company CINICO, which will be managed this year by a special arrangement between the Company and HSA. On average only 20 percent of the HSA's revenue comes from private insurance claims.